GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:478
ANSWERED ON:27.04.2015
MONITORING OF GAS PRICING
Mishra Shri Anoop

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has constituted any mechanism to monitor the rates fixed for domestic gas/fuel;

(b) if so, the details thereof and if not, the reasons therefor;

(c) whether the Government has received any complaints about overpricing of the said commodities in the market; and

(d) if so, the details thereof and the action taken by the Government in this regard?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) to (d): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (d) of the Lok Sabha Starred Question No.478 asked by Shri Anoop Mishra to be answered on 27th April, 2015 regarding Monitoring of Gas Pricing.

(a) & (b): The prices of Petrol and Diesel were made market determined effective 26th June, 2010 and 19th October, 2014 respectively. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate decision on price of these products in line with changes in the prices in international market and other conditions.

However, in order to protect the consumers from the fluctuating crude oil and petroleum products prices in the international market, the Government continues to modulate the retail selling price of PDS Kerosene and Subsidized Domestic LPG and their basic prices have not been increased in line with changes in the international market since 25th June, 2011. Prices of all other petroleum products are deregulated.

The Government has notified the New Domestic Natural Gas Pricing Guidelines, 2014 for fixing the price for domestically produced natural gas, and on the basis of New Domestic Natural Gas Pricing Guidelines, 2014, the Petroleum Planning and Analysis Cell (PPAC) determines and notifies the price of Domestic Natural Gas on a half yearly basis. The price and volume data used for calculation of the applicable price is trailing four quarter data with one quarter lag.

(c) & (d): Public Sector Oil Marketing Companies (OMCs) have reported that in 2014-15, 299 cases of over charging by their LPG distributors have been established. In all these cases OMCs have taken action against the erring LPG distributorship as per the provision of Marketing Discipline Guidelines (MDG)/ Distributorship Agreement.